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assets among shareholders after payment of corporate indebtedness, it is the settled rule of law that in the absence of any provision in the statutes, by-laws, or certificates to the contrary, the preferred shareholders in the distribution share as common shareholders, and the surplus assets, after repayment of the paid-up capital, is divisible among all the stockholders, common and preferred, in proportion to their holdings. 1 COOK, CORP., Ed. 6, § 278; *Birch v. Cropper*, 61 L. T. Rep. 621; *Re Bridgwater Nav. Co.*, 58 L. T. Rep. 476; *People v. New York etc. Co.*, 50 N. Y. Misc. Rep. 23. The same rule would seem to apply, in the absence of an express provision, to a distribution of profits in excess of the full preferred dividend, and an equal dividend on the common stock. However, the question may still be considered an open one. 1 COOK, CORP., Ed. 6, p. 740, note. The decision in the principal case was placed on the ground that the fund out of which the stock dividend was declared consisted only of annual profits, although they had been kept on hand and permitted to accumulate for a number of years, and therefore belonged to the common stockholders.

CORPORATIONS—STOCKHOLDER'S RIGHT TO INSPECT BOOKS AS AFFECTED BY IMPROPER MOTIVE.—Application for mandamus was made by certain policy-holders of the respondent corporation to compel it to permit them to make an inspection of its books and records. No statutory right of inspection existed. The evidence tended to show that the purpose was to copy a list of all the policy holders, together with the post office address of each, and a list of the outstanding loans of the corporation. It also tended to show that this information was not sought in good faith but to give it to business rivals. *Held*, that the purpose of the inspection was improper and the writ was therefore refused. *State v. German Mutual Life Ins. Co.* (Mo. 1913) 152 S. W. 618.

The common law rule in the United States is that a stockholder in a corporation has a right to inspect its books and records at proper times and for proper purposes. 2 CLARK & MARSHALL, CORP., § 530; 4 MICH. L. REV. 317; 4 THOMP., CORP., Ed. 2, § 4515; 2 COOK, CORP., Ed. 6, § 511. Under the common law, the motive of the stockholder is a material consideration, and an inspection cannot be compelled where the motive is improper. 9 MICH. L. REV. 721; 4 THOMP., CORP., Ed. 2, § 4524; 2 COOK, CORP., Ed. 6, § 515. Where the right exists the stockholder may avail himself of accountants, stenographers, etc., in making copies from the books and records of the company. 4 THOMP., CORP., Ed. 2, § 4529; 2 COOK, CORP., Ed. 6, § 515. The same principles obtain in the case of mutual organizations as in case of other private corporations. *McClintock v. Young Republicans*, 210 Pa. 115, 59 Atl. 691, 68 L. R. A. 459, 105 Am. St. Rep. 784. The court in the decision of the principal case recognized and applied all of the above principles. By the great weight of authority, it is held that where the right to inspect the books and records of a corporation is given by statute, the motive is immaterial so long as not unlawful. *Hub Construction Co. v. Breeder's Club*, 74 N. H. 282; *Cincinnati, etc. Co. v. Hoffmeister*, 62 Ohio St. 189, 78 Am. St. Rep. 707; 4 THOMP., CORP., Ed. 2, § 4516; *Johnson v. Langdon*, 135 Cal. 624.